

Message Text

CONFIDENTIAL

PAGE 01 STATE 173139

12

ORIGIN COME-00

INFO OCT-01 EUR-25 ISO-00 GSA-02 EB-11 CIAE-00 PM-07

INR-11 L-03 ACDA-19 NSAE-00 PA-04 RSC-01 PRS-01 SP-03

USIA-15 TRSE-00 SAJ-01 DODE-00 FMC-04 /108 R

DRAFTED BY MARAD:FCASE/FEA:LHELLER

APPROVED BY EUR/RPM:RTHOMPSON

EUR/RPM - MR. KING

GSA/OP:MR. GRIFFITH (INFORMED)

----- 009339

R 081954Z AUG 74

FM SECSTATE WASHDC

TO USMISSION NATO

INFO USNMR SHAPE

USLO SACLANT

C O N F I D E N T I A L STATE 173139

E.O. 11652: GDS

TAGS: MARR, NATO, US

SUBJECT: CEP: COMMENTS ON DOCUMENTS

REF: (A) AC/12-WP/103 (REVISED);

(B) AC/12-WP/102 (REVISED) AND AC/271-DSASG-WP/12

(3RD REVISE)

1. FOLLOWING ARE COMMENTS ON REF A:

A. PARA 4: PHRASE BEGINNING, "THESE CONCEPTS PROVIDE..."
AND ENDING "...FULL NWO OPERATIONS" IS BADLY IN NEED OF
CLARIFICATION AND/OR REWRITING.

B. PARA 7: WE STRONGLY SUGGEST THAT THE PPC REVIEW IN
ONE YEAR'S TIME ITS PLANNING ASSUMPTION "THAT THE INTER-
NATIONAL OIL COMPANIES...WILL CONTINUE TO HANDLE THE BULK
OF THE OIL EXPORTED BY OIL PRODUCING NON-NATO COUNTRIES..."
THE RAPIDLY CHANGING RELATIONSHIPS BETWEEN OIL COMPANIES,
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 173139

PRODUCERS AND CONSUMERS WILL NECESSITATE SUCH A RE-EXAMINA-

TION.

2. FOLLOWING ARE COMMENTS ON DOCUMENTS LISTED AT REF B.
THESE ARE COMBINED MARAD/FEA VIEWS:

THE REFERENCE , RECOGNIZING THE DIFFICULTIES OF DETERMINING THE PRECISE ROLE AND FUNCTIONS OF THE NWOO IN A PRE-NUCLEAR SITUATION, PROPOSES, IN GENERAL, THAT, AT THE OUTSET OF HOSTILITIES, NATO FLAG TANKERS, OWNED BY OR ON CHARTER TO OIL COMPANIES OF THE NATO NATIONS, CONTINUE IN THEIR EMPLOYMENT UNDER THE MANAGEMENT OF THE OIL COMPANIES UNTIL CIRCUMSTANCES REQUIRE OTHER ARRANGEMENTS. THE EMPLOYMENT OF TANKERS AT THE OUTSET OF HOSTILITIES WOULD BE REGARDED AS AN INITIAL BLOCK ALLOCATION BY THE DSA TO THE COUNTRIES IN WHICH THE OIL COMPANIES WERE LOCATED. THE NATIONS CONCERNED WOULD DEVELOP INFORMATION ON THE SITUATIONS OF THOSE TANKERS AND TRANSMIT THE INFORMATION TO THE DSA. THE DSA AND NWOO, THROUGH THE COTS, WOULD ADJUST TONNAGE ALLOCATIONS AS NECESSARY THEREAFTER.

THE INTENT OF THE CONCEPT TO UTILIZE FULLY THE MANAGEMENT CAPABILITIES OF THE OIL COMPANIES IN BOTH OIL DISTRIBUTION AND TANKER OPERATION IS PROPER AND, PERHAPS, INEVITABLE. THE VALUABLE MANAGEMENT CAPABILITIES OF THE OIL COMPANIES SHOULD NOT BE WASTED AND, IN FACT, COULD NOT, IN ANY PRACTICAL WAY, BE REPLACED. INSOFAR AS U.S. TANKER OPERATIONS ARE CONCERNED, THE TANKER OPERATING COMPANIES WOULD BE APPOINTED GENERAL AGENTS OF THE MARITIME ADMINISTRATION WHEN THE SHIPS WERE REQUISITIONED, EXACTLY AS LINER COMPANIES WOULD BE APPOINTED GENERAL AGENTS.

THE CONCEPT SET OUT IN THE REFERENCE DOES NOT GIVE THE NECESSARY CONSIDERATION TO THE FACT THAT, FROM THE FIRST DAY OF HOSTILITIES, THE TANKER MOVEMENT SYSTEM, HENCE THE OIL DISTRIBUTION SYSTEM, WOULD HAVE TO ACCOMMODATE ARRANGEMENTS MADE FOR THE PROTECTION OF NATO FLAG SHIPPING FROM ENEMY ATTACK, PRIMARILY SUBMARINE ATTACK. AMONG THE MANY ASPECTS OF THE PROBLEM, THE FOLLOWING ARE PARTICULARLY SIGNIFICANT:

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 173139

A. THE LIKELIHOOD IS THAT AT THE BEGINNING OF THE CRISIS SOME NATO FLAG SHIPS WOULD BE EN ROUTE TO HOSTILE COUNTRIES. THOSE SHIPS WOULD HAVE TO BE DIVERTED UPON THE OPENING OF HOSTILITIES AND SHOULD BE DIVERTED DURING THE CRISIS PERIOD.

B. ALL NATO FLAG SHIPS WOULD COME UNDER NAVAL

SHIPPING CONTROL UPON THE OPENING OF HOSTILITIES. IF OCEAN CLEARANCE WERE DIRECTED, THE TANKER MOVEMENT PATTERNS ESTABLISHED TO MEET OIL DISTRIBUTION WOULD BE DISRUPTED AND SUBSEQUENT TANKER MOVEMENTS WOULD BE GOV-

ERNED BY NAVAL CONTROL OF SHIPPING CONSTRAINTS. IF TANKERS WERE MOVED IN CONVOYS, THE TIMING OF OIL DISTRIBUTION OPERATIONS WOULD BE AFFECTED AND, MORE SERIOUSLY, THE CAPACITY OF THE TANKER TRANSPORT SYSTEM WOULD BE RADICALLY DEGRADED. IN GENERAL, THE OIL DISTRIBUTION PLANNING WHICH THE OIL COMPANIES ARE EXPECTED, UNDER THE CONCEPT, TO PERFORM WOULD HAVE TO TAKE ACCOUNT OF THE SEVERE SYSTEM FRICTION INTRODUCED BY SHIPPING PROTECTION MEASURES.

C. NATO FLAG TANKERS WOULD BE VULNERABLE TO ENEMY ATTACK WHEREVER THEY SAILED, REGARDLESS OF THE TRADES IN WHICH THEY WERE ENGAGED. IT IS OBVIOUSLY BEYOND NATO NAVAL CAPABILITY TO ESCORT TANKERS ENGAGED IN NON-NATO COUNTRY TRADES. TO ENSURE CONTINUED ESSENTIAL SUPPLY OF OIL TO FRIENDLY NON-COMBATANT COUNTRIES AND TO REDUCE THE HAZARD OF LOSS OF UNESCORTED NATO FLAG TANKERS, IT WOULD APPEAR NECESSARY TO REALIGN THE WORLD TANKER FLEET TO WITHDRAW NATO FLAG TANKERS FROM TRADES WITH NON-COMBATANTS AND SUBSTITUTE NEUTRAL TANKERS IN THOSE TRADES. IN THE U.S. CASE, IF EUSC TANKERS WERE REQUISITIONED AND BROUGHT UNDER THE U.S. FLAG, THIS PROBLEM WOULD CALL FOR COMPARATIVELY RADICAL REALIGNMENTS OF TANKER EMPLOYMENT.

D. SIGNIFICANT LOSSES OF NATO-FLAG TANKERS MUST BE ANTICIPATED IN THE OPENING PHASE OF HOSTILITIES. LOSSES OF VLCCS COULD DEGRADE SHIPPING CAPACITY OUT OF PROPORTION TO THE NUMBER OF SHIPS LOST. THE INITIAL PERIOD
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 173139

LOSSES COULD CREATE IMMEDIATE OR PROSPECTIVE EARLY SHORTAGES OF TANKER CAPACITY TO MEET NATO NEEDS. THE RESULT WOULD BE A REQUIREMENT FOR EARLY DECISION AT THE HIGHEST GOVERNMENTAL LEVELS AS TO THE ALLOCATION OF REMAINING TANKER CAPACITY BETWEEN NATO AND NON-NATO COUNTRIES.

THIS RANGE OF PROBLEMS, WHICH MUST BE FACED FROM THE LAST STAGES OF THE CRISIS PERIOD FORWARD INTO THE PERIOD OF ACTIVE HOSTILITIES, MAKES IT NECESSARY TO PROCEED WITH PLANNING BEYOND THE LEVEL REACHED BY THE REFERENCE. AT THE MINIMUM, DSA/NWOO PLANNING SHOULD ACCOUNT FOR THE FOLLOWING:

A. WHEN IT IS DETERMINED, PRESUMABLY BY THE NAC, THAT

A MILITARY THREAT TO NAO-FLAG TANKERS EXISTS, BOTH AGENCIES SHOULD BE BROUGHT INTO OPERATION, AT LEAST IN NUCLEUS FORM, AND THE COTS ESTABLISHED SO THAT THEY CAN

BEGIN TO PREPARE FOR AND BE AS READY AS POSSIBLE TO ASSUME THEIR FUNCTIONS UPON THE OPENING OF HOSTILITIES.

B. THE LOCATIONS AND PROJECTED MOVEMENTS OF TANKERS MUST BE ASCERTAINED AND CURRENTLY MAINTAINED DURING THE PERIOD FOLLOWING THE DETERMINATION BY THE NAC THAT A MILITARY THREAT TO NATO-FLAG TANKERS EXISTS. THE RELUCTANCE OF TANKER COMPANIES TO ANNOUNCE THEIR MOVEMENTS IS APPRECIATED, BUT THE COMMON DEFENSE REQUIRES THAT THAT RELUCTANCE BE SET ASIDE.

C. PLANNING FOR MOVEMENT AND PROTECTION OF TANKERS WORLDWIDE IN WARTIME MUST BE DEVELOPED, IN COORDINATION WITH SACLANT, AND THE IMPACT OF SHIPPING PROTECTION PLANS UPON THE OIL DISTRIBUTION SYSTEM MUST BE ASCERTAINED BY STUDIES AND EXERCISES AS SOON AS PRACTICAL.

D. THE OIL COMPANIES AND SHIPPING COMPANIES SHOULD BE BROUGHT INTO THE PLANNING EFFORTS TO ASSIST IN FORMULATING PLANS FOR MEETING WORLD OIL DISTRIBUTION REQUIREMENTS UNDER THE PROJECTED WARTIME CONDITIONS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 173139

E. IT SHOULD BE VERIFIED THAT PROCEDURES HAVE BEEN DEVELOPED TO ENABLE THE COTS TO OBTAIN AND PASS ON TO OIL AND SHIPPING COMPANIES INSTRUCTIONS ON OCEAN CLEARANCE, NAVAL CONTROL OF SHIPPING, CONVOYING, SHIP LOSS REPORTING, AND OTHER MATTERS IN WHICH THE COTS PRESUMABLY WILL PROVIDE THE INTERFACE BETWEEN NAVAL AUTHORITIES, NATIONAL CIVIL AUTHORITIES, AND THE OIL AND SHIPPING COMPANIES.

F. PLANS MUST BE DEVELOPED IN COOPERATION WITH THE OIL COMPANIES AND SHIPPING COMPANIES FOR REALIGNING TANKERS BETWEEN NATO AND FRIENDLY NON-NATO COMBATANT NATIONS. THIS REALIGNMENT WOULD BEGIN AFTER THE NAC HAD DETERMINED THAT A MILITARY THREAT TO NATO-FLAG TANKERS EXISTED.

G. MECHANISMS MUST BE DEVELOPED IN COOPERATION WITH THE OIL COMPANIES AND TANKER COMPANIES FOR DIVERTING TANKERS BOUND FOR POTENTIAL ENEMY COUNTRIES AT A TIME WHEN THE NAC HAS DETERMINED THAT A MILITARY THREAT TO NATO-FLAG TANKERS EXISTS BUT NATIONAL AUTHORITIES HAVE NOT, IN PRINCIPLE, TAKEN CONTROL OF NATIONAL SHIPPING ASSES.

LASTLY, WE WISH TO REITERATE THAT THE POSITION OF COT

GROUP COORDINATOR WILL BE AN IMPORTANT KEY POSITION IN THE
JOS/RSB SET-UP, AND THAT A SPECIAL EFFORT SHOULD BE MADE
TO FIND A HIGHLY QUALIFIED INDIVIDUAL TO ASSUME THE RE-
SPONSIBILITIES OF THAT POSITION. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DOCUMENTS, PETROLEUM INDUSTRY, GOVERNMENT REACTIONS, INTERGOVERNMENTAL COOPERATION
Control Number: n/a
Copy: SINGLE
Draft Date: 08 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE173139
Document Source: CORE
Document Unique ID: 00
Drafter: FCASE/FEA:LHELLER
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740217-1170
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740863/aaaaccai.tel
Line Count: 227
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN COME
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: (A) AC/12-WP/103 (REVISED);
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 APR 2002 by shawdg>; APPROVED <25 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CEP: COMMENTS ON DOCUMENTS
TAGS: MARR, US, NATO
To: NATO BRUSSELS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005